

302 KAR 15:010. Administration; state aid to local fairs.

RELATES TO: KRS 247.220

STATUTORY AUTHORITY: KRS 247.220

NECESSITY, FUNCTION, AND CONFORMITY: KRS 247.220(2) authorizes the Fair Council and the Commissioner of Agriculture to promulgate administrative regulations regarding grants for local fair facilities. This administrative regulation establishes requirements for administration of and participation in the local fairs program.

Section 1. General Administration. (1) The Director of the Division of Show and Fair Promotion in the Department of Agriculture shall only make premium allocations to the authorized agent of an incorporated local fair board that conducts a qualified local agricultural fair in compliance with KRS 247.220.

(2) Fair officials for local fair boards applying for state funds shall make a reasonable effort to develop a program that will supplement agricultural educational and promotional activities.

(3) Local fair boards seeking state assistance shall plan and conduct a qualified local agricultural fair with educational exhibits running for at least three (3) consecutive days (thirty-six (36) hours of exhibition). All fair events shall be held on consecutive days with the following exceptions:

(a) A fair may be closed on Sundays, if the local board desires; and

(b) A fair may conduct certain events, such as harness horse racing, on separate dates if:

1. The local board files a request to conduct the event with the Division of Show and Fair Promotion;

2. The request is approved by the Kentucky Fair Council at the next regular meeting and thereafter transmitted to the Commissioner of Agriculture for the Commissioner's approval or rejection of the local board's request; and

3. The Commissioner of Agriculture approves the request.

(4) A local fair board shall establish classes and premiums related to the economic importance of the commodity in the area, the relative value of the exhibit and the difficulty in preparing for and showing the entry.

(5) Ribbon colors at each local fair shall be as follows:

(a) Blue for first place;

(b) Red for second;

(c) White for third;

(d) Pink for fourth;

(e) Yellow for fifth;

(f) Green for sixth;

(g) Light green for seventh;

(h) Brown for eighth;

(i) Gray for ninth; and

(j) Light blue for tenth.

(6) A local fair board seeking state funds shall comply with local and state health regulations for exhibitors tending exhibits and for fair attendants.

(7) A fair event held at a location other than the fairgrounds shall qualify for aid if publicized in the fair's catalog as being a fair event.

Section 2. Records. (1) A local fair board shall make a request for state assistance annually on an Initial Request for State Aid to Local Agricultural Fairs Form, and shall mail it to the Division of Show and Fair Promotion by March 1 of the year in which the fair is conducted. The Commissioner of Agriculture shall allow a fair to enter the program after the application deadline has passed

for good cause shown.

(2) A local fair board shall mail a Kentucky State Aid to Local Agricultural Fairs Program, Kentucky Department of Agriculture, Division of Show and Fair Promotion, Open Class Dairy and Beef Show Information Form (1995) concerning the fair's beef and dairy shows to the Division of Show and Fair Promotion by May 1 of the year in which the fair is conducted.

(3) A complete financial statement for events previously requesting state funds shall be submitted to the Department of Agriculture. This annual financial statement shall cover all crops, foods, domestic livestock, poultry, harness horse racing, other horse events, and other agricultural classes that may qualify for aid. It shall be complete and prepared in detail showing receipts and disbursements as well as the number of exhibitors and premiums awarded by fair departments. This certified, notarized statement shall be presented to the Director of the Division of Show and Fair Promotion within forty-five (45) days following the event and no financial statement shall be accepted for payment after December 1 of the year in which the fair is conducted without approval from the Kentucky Fair Council, based on budgetary considerations.

Section 3. Entries. (1) (a) A Fair qualifying for state funds shall provide for adult and youth divisions.

(b) Youth exhibits shall include 4-H, FFA, FHA, and shall include other official groups recognized by the extension service or the Office of Secondary Vocational Education. All projects approved by these official groups may be approved for state funds. Fair boards may restrict youth participation to a particular district, county, or trade area.

(2) All exhibitors, adult and youth, shall have equal opportunity to enter open classes.

(3) A local fair board receiving state money shall assure that exhibits eligible in more than one (1) class or section are exhibited only in the class or section for which it best qualifies. An exhibitor shall not show the same kind of animal or the same entry in both FFA and 4-H classes or in classes for other organized junior organizations.

(4) All domestic livestock, poultry, and horse entries shall meet the specifications of the health administrative regulations of the State Board of Agriculture as set forth in 302 KAR 20:065 relating to the exhibition of livestock in Kentucky.

Section 4. Catalog. (1) A qualified fair shall have an official fair catalog. A draft copy of the catalog including premium lists and classes, excluding advertisements, shall be submitted to be approved by the Division of Show and Fair Promotion at least forty-five (45) days prior to the opening of the fair. The finished catalog shall be submitted to the Director of the Department of Agriculture's Division of Show and Fair Promotion no later than thirty (30) days before the fair is held.

(2) Classes advertised in the catalog shall be reviewed annually by the local fair board to make certain that competitive events are being held and that premiums offered are not out of balance with entries.

(3) The official fair catalog shall contain the following information:

(a) A list of fair officials and their assigned responsibilities with the following organizations being represented on the agriculture advisory board:

1. Vocational Agriculture;
2. Extension Service;
3. Farm Bureau;
4. Local Livestock Association (if one exists); and
5. Local Horsemen's Association (if one exists);

(b) A schedule of events planned as a part of the fair;

(c) Local fair rules and administrative regulations including a statement to the effect that "open classes are open to all exhibitors unless otherwise specified; "

- (d) General information by fair departments showing classes and premium lists;
- (e) Animal health administrative regulations, 302 KAR 20:040 and 302 KAR 20:065; and
- (f) A rule to the effect that "entries made in 4-H, FFA and FCCLA classes shall have been produced in conjunction with an approved project sponsored by these organizations."

(4) Catalogs shall be mailed and distributed by the local fair board no later than thirty (30) days prior to the opening of the fair.

Section 5. Judges. (1) To assist with the educational objectives of each event a local fair shall encourage, judges to present reasons for their evaluations and decisions.

(2) A person shall not be an exhibitor or act as an agent in any division or department for which he serves as a judge.

Section 6. State Allocation. (1)(a) The Department of Agriculture's agricultural premium money shall be allocated to all approved local fairs on the basis of total money offered for approved classes in the catalog and total money spent in approved classes taken from the fair's financial statement available as indicated by fair records including catalogs. The total agricultural premium payment for one (1) or more fairs held annually in a single county shall not exceed \$4,500. In addition, state money for each class shall not exceed fifty (50) percent of the total premiums awarded.

(b) The first agricultural premium payment to each fair shall be made after the printed catalog is received and may be up to one-fourth (1/4) of the amount of money offered in approved classes by the local fair up to a maximum of \$2,250.

(c) The second agricultural premium payment shall be made after the fair's financial statement is received, if all remaining requirements have been met and the necessary records submitted, and shall be based on the amount of money paid for premiums and awards in approved agricultural classes up to a maximum of \$4,500 less the amount of the first agricultural premium payment.

(d) The combination of county fairs or community fairs of a number of counties shall not be approved to justify a larger state premium payment.

(2) An additional \$2,000 grant may be made to a qualified local agricultural fair to be used for horse events' premiums and awards. This grant shall be made on an equal matching fund basis and shall be based completely on the amount of money paid in premiums and awards for horse events' classes. The payment of this grant shall come after the financial statement of the fair is received by the Department of Agriculture and shall be included in the fair's second fair payment. The qualified fair shall submit with its financial statement, records of premiums paid, number of exhibitors, and number of entries for these horse events.

(3)(a) The Department of Agriculture shall make available to a qualified agriculture fair up to \$7,000 on an equal matching basis for harness horse racing, with a maximum of \$750 per race being matched by the department. To qualify, a fair shall meet the requirements set forth in 811 KAR 1:220.

(b) Harness racing payments shall also be disbursed in two (2) payments:

1. The first payment shall be one-fourth (1/4) the amount of purses offered in the printed catalog, up to a maximum of \$3,500. This payment shall be combined with the fair's first agricultural payment.

2. The second harness racing payment shall be based on the amount of money spent in harness racing purses, up to a maximum of \$7,000 less the first harness racing payment. It shall be included in the second fair payment, if the fair has included sufficient information on the financial statement in regard to the harness racing results.

(4) The director of the department's show and fair program shall provide from the appropriation for county fairs a trophy that will be rotated and engraved and presented annually to the local fair

that has made the most progress in twelve (12) months. In addition, appropriate engraved plaques shall be presented to the first, second, and third placed fairs making the most progress in the twelve (12) months period and also for the most outstanding new fair in the program for that year. The presentation shall be made by the Department of Agriculture's Fair Council based on records submitted to the department.

Section 7. Building Program. (1) A qualified local agricultural fair may apply for an additional \$3,000 grant of state funds to be used for the establishment of new buildings and facilities or for improvement to existing facilities. Grants shall be on an equal matching basis with the local fair board matching the amount of the state grant. Payments for facilities shall not result in a decrease in the approved agricultural classes or premiums being offered in the fair catalog.

(2) The buildings and facilities shall be used primarily in conjunction with the qualified local agricultural fair and shall either be constructed on land for which owned by the local fair board or on land the fair group holds a renewable lease.

(a) The following shall be examples of items that may qualify for the building program;

1. The purchase of land for a fairground or the purchase of land adjoining the original grounds;
2. The construction of new buildings;
3. Repair of any existing facilities on the fairgrounds;
4. Grandstands or bleachers used to seat people during the fair;
5. Grading and improvement work done to an existing track or show ring; or
6. Loading chutes, wash racks or tie-outs for livestock.

(b) An item not listed in paragraph (a) of this subsection may qualify for state assistance if the local fair provides evidence to the Department of Agriculture that the item meets the minimum application requirements.

(3) A qualified local agricultural fair shall apply for the building program by submitting the form Request for State Aid for the Building Program, after the fair has submitted its Initial Request for State Aid to Local Agricultural Fairs Form. The building program application shall be submitted to the Division of Show and Fair Promotion Department of Agriculture, by June 1 of the year that the work is to be completed. The application shall include a description of the proposed buildings or improvements to be made, use to be made of these improvements, itemized list of approximate cost, and the date to be completed. Applications shall be available from the Department of Agriculture, Division of Show and Fair Promotion and shall be distributed after fair program applications are received or upon request.

(4) Upon acceptance of a qualified local fair's request for assistance by the Department of Agriculture, the local fair shall be supplied a Financial Report of the Building Program. The financial report shall contain a description of the buildings or improvements and an itemized cost. This report shall be notarized and presented to the Division of Show and Fair Promotion within forty-five (45) days following the completion of the building or repair work. A report shall not be accepted for payment after December 1 of the year that the work is completed without approval from the Kentucky Fair Council, based on budgetary considerations.

(5) Building program payments shall be disbursed in two (2) payments.

(a) The first payment shall represent one-fourth (1/4) of the total amount submitted on the fair's building report up to a maximum of \$1,500.

(b) The second building program payment shall be made after all financial statements and building reports have been received in the office of the Division of Show and Fair Promotion and the total amount required for all grants is known. The second building payment amount shall be adjusted on an equal basis to bring the total grants in line with the funds available in the Aid to Fairs Program budget.

Section 8. Grant Program. (1) In addition to the Building Program established in Section 7 of this administrative regulation, a qualified local agricultural fair may apply to the Grant Program yearly for land acquisition, capital construction of new buildings and facilities, infrastructure improvement to existing facilities, or the purchase of nonpermanent tangible items (i.e. bleachers, restaurant equipment, etc.) A fair shall submit the Application to Qualify for County Fair Grant and the Grant Project application to the Division of Show and Fair Promotion. The applications shall be postmarked by October 1st of each year. Grant applications shall meet the following criteria:

(a) Grants shall be made on a matching basis. The Kentucky Department of Agriculture shall provide seventy-five percent (75) percent, and the local fair shall provide twenty-five percent (25) percent, in either a monetary or in-kind match.

(b) The minimum amount eligible to be received shall be in \$20,000. The maximum amount received shall be \$100,000;

(c) The Fair Board shall be required to execute a Memorandum of Agreement with the Kentucky Department of Agriculture for the use of state funds;

(d) The Fair Board shall own the land or hold a long term lease on the property (twenty (20) years for capital construction and improvements or ten (10) years for non permanent tangible items). A copy of the deed or lease agreement shall be submitted;

(e) Grant applications shall be accompanied by a development plan for capital construction and infrastructure. Applications for non permanent tangible items shall be accompanied by a statement of cost from the vendor;

(f) Changes to development plans (capital construction/infrastructure) after a grant is awarded shall have prior approval from the Kentucky Department of Agriculture;

(g) All building/health permits (local and state) shall be obtained and provided to the Division of Show and Fair Promotion for capital construction/infrastructure when a grant is awarded. If none are required an affidavit signed by local officials shall be provided;

(h) Awarded projects shall be started within ninety (90) days, of the date the project is awarded and completed within nine (9) months. Project extensions shall be made on a case by case basis, based on reasonable assurance of project completion;

(i) Fairs shall make a full accounting of all expenditures and receipts of the completed project within ninety (90) days of completion;

(j) A fair that has been awarded a grant shall be ineligible to apply for another grant for three (3) years from the date the previous grant was awarded.

(2) The grants program shall be administered by the Kentucky Department of Agriculture's Division of Show and Fair promotion. The County Fair Coordinator shall review all applications for compliance. The grants shall then be presented to the Kentucky Fair Council for selection. The Fair Council shall select grant recipients until the yearly budget allocations have been met. The Fair Council may reject a grant that does not meet the requirements established in this administrative regulation. The Division of Show and Fair Promotion shall monitor implementation of awarded grants. Fairs that are awarded grants and fail to execute the projects shall be required to repay the grant.

Section 9. Effect of Overspending of Fair Program Budget. If the local agricultural fair program payments exceed the amount of money budgeted for the total fair program, reductions shall be made in payments as recommended by the Fair Council and as determined by the Commissioner of Agriculture.

Section 10. Incorporation by Reference. (1) The following material is incorporated by reference:

(a) "Initial Request for State Aid to Local Agricultural Fairs Form" (1995);

(b) "Kentucky State Aid to Local Agricultural Fairs Program, Kentucky Department of Agriculture-

ture, Division of Show and Fair Promotion, Open Class Dairy and Beef Show Information Form" (1995);

(c) "Financial Report of the Building Program" (November 2006);

(d) "Request for State Aid for the Building Program" (November 2006);

(e) "Application to Qualify for County Fair Grant" (November 2006); and

(f) "Grant Project Application" (November 2006).

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Office of the Department of Agriculture, Division of Show and Fair Promotion, 100 Fair Oaks 5th Floor Frankfort, Kentucky 40601, Monday through Friday, 8 a.m. to 4:30 p.m. (1 Ky.R. 1022; eff. 6-11, 1975; Am. 2 Ky.R. 595; 3 Ky.R. 354; eff. 9-1-76; 9 Ky.R. 1031; 1195; eff. 4-6-83; 17 Ky.R. 1143; 1712; eff. 11-15-90; 21 Ky.R. 2734; 33; eff. 6-14-95; 24 Ky.R. 2757; eff. 8-17-98; 33 Ky.R. 527; 1300; eff. 11-8-2006.)